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U.S. Generalized System of Preferences Completes First Year

TRI-AGENCY READING ROOM

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The U.S. Generalized System of Preferences (GSP) completed its first year of operation on January 1, 1977. The U.S. GSP program, which was authorized by the Trade Act of 1974, allows U.S. imports of most manufactured and semimanufactured products, along with selected agricultural commodities, to enter the United States free of duty, subject to certain limitations, when these imports originate in designated beneficiary developing countries. The limitations, known as "competitive need," are designed to restrict duty-free treatment on individual items to

those developing countries that are not yet competitive in the U.S. market. The Trade Act provides that this program shall remain in effect until 1985. U.S. imports of items that entered duty-free under GSP in 1976 amounted to \$3.2 billion. Although the U.S. GSP was not in effect in 1975, imports of these items in 1975 from countries that would have been eligible totaled \$2.6 billion.

The table below outlines the extent to which U.S. agricultural imports are affected by GSP:

U.S. AGRICULTURAL IMPORTS, 1976

Tariff treatment	TSUS ¹ tariff lines	All countries	Developing countries ²
			Mil. Dol.
MFN duty-free	280	5,746	³ 4,540
MFN dutiable	720	5,246	³ 2,930
GSP items	300	2,576	⁴ 1,631
GSP duty-free items	300	548	548

¹Tariff schedule of the United States. ²Includes developing countries not eligible for GSP, notably Spain, Greece, Iran, Venezuela, Ecuador, Nigeria, Uganda, Indonesia. ³Figures are estimates only, based on general preliminary data and historic portions of imports by developing countries. ⁴Of this total, \$82 million originated in developing countries not eligible for GSP, \$1,001 million was excluded from GSP by "competitive need" or rules of origin criteria (explained later), and the remainder, as indicated, entered duty-free.

Table I of the Appendix shows those agricultural commodities that have been designated as eligible articles for the purposes of GSP. The list of GSP beneficiaries contains 98 independent developing countries and 40 dependent territories (Table II). Other countries that were

considered as potentially eligible but which have not been designated are listed in Table III. These countries were not designated in accordance with section 502 of the Trade Act, which specifies that a developing country shall not be eligible for GSP if, among other things, that country is a member

of the Organization of Petroleum Exporting Countries (OPEC), grants preferences to other developed countries to the detriment of U.S. trade, or has nationalized or expropriated the property of U.S. citizens without fair compensation.

Imports of eligible articles from beneficiary countries enter the United States free of duty, subject to certain limitations. The Trade Act provides that duty-free treatment of imports under an eligible five-digit U.S. tariff heading from a beneficiary developing country or territory must cease within 60 days after a given calendar year ends if (1) imports of that item from that country amounted to more than \$25 million in that calendar year, or (2) more than 50 percent of all U.S. imports under that tariff heading during the year came from that country. Thereafter imports of that commodity from that country would be dutiable at the most-favored-nation rate at least until the following year, when new trade data might make redesignation possible.

Each year, the \$25-million reference figure is revised upward (or downward) in proportion to changes in the U.S. gross national product, using 1974 as the base year. This year, the reference figure was \$29.9 million in 1976 imports. These two limitations are known as the "competitive need" criteria.

An exception to the 50 percent limitation is that it need not be applied to commodities that are not produced in the United States. These items are marked in Table I.

Each year, then, there will be some change in the program's beneficiaries as the import data on which beneficiary exclusions with respect to particular products are updated. The beneficiary exclusions applicable to the program on March 1, 1977, are based on 1976 import data and will remain in effect until March 1, 1978. They are also listed in Table I.

The Trade Act provides that if imports of a commodity are to be duty-free under the preference program, the cost or value of the materials produced in the beneficiary developing country—plus the direct costs of processing operations performed there—must amount to at least 35 percent of the appraised value of the commodity when it is imported. The administration of this provision—including the definition of "produced" as being either wholly the growth, product, or manufacture of the beneficiary developing country or substantially transformed in the beneficiary developing country into a new and different article of commerce—is based on U.S. Treasury Department customs regulations published in the Federal Register, Volume 40, Number 251, on December 31, 1975, and also in U.S. Customs regulations (19 CFR Part 10).

Product and country designations may change from time to time on the basis of Trade Act requirements and implementing procedures published in the December 31, 1975, Federal Register. A few country designations have changed and are noted in

Table II. The procedural requirements of the Trade Act provide that the U.S. International Trade Commission (ITC) give advice on the probable economic effect of giving GSP on any item and that interested parties be permitted to express their views in public hearings. The implementing regulations establish a petition procedure through the U.S. Trade Policy Staff Committee (TPSC), composed of representatives of the various federal agencies, and also allow the TPSC to review items on its own motion. Two product reviews have taken place so far, and certain products have been added or removed. These are noted in Table I.

The chronology below presents a brief history of the U.S. GSP program:

January 3, 1975—President signs the Trade Act of 1974, in which Title V authorizes implementation of the U.S. Generalized System of Preferences.

March 24, 1975—President signs Executive Order 11844, designating the list of beneficiary developing countries for the purposes of GSP and designating those countries still under consideration (Federal Register, March 26, 1975, Vol. 40, No. 59).

March 26, 1975—President publishes in the Federal Register the list of articles that will be considered for designation as eligible for GSP.

November 24, 1975—President signs Executive Order 11888, implementing U.S. GSP, effective Jan. 1, 1976.

December 31, 1975—Regulations establishing procedures for review of GSP eligible articles published in the Federal Register (Vol. 40, No. 251).

December 31, 1975—U.S. Customs Regulations pertaining to GSP are published in the Federal Register (Vol. 40, No. 251).

January 1, 1976—GSP becomes effective with countries excluded by competitive need, based on 1974 import data.

March 1, 1976—New competitive need exclusions take effect, based on 1975 import data (Executive Order 11906, Feb. 26, 1976).

March 25, 1976—U.S. International Trade Commission publishes list of GSP items that are not produced in the United States and therefore not subject to the 50 percent competitive need exclusion (Federal Register, Vol. 41, No. 60, Mar. 26, 1976). (Agricultural items are indicated in Table I.)

April 30, 1976—First TPSC product review begins.

August 30, 1976—President signs Executive Order 11934, calling for modifications in the list of eligible articles resulting from the first review (Federal Register, Vol. 41, No. 171, Sept. 1, 1976). (Agricultural items added are indicated in Table I.)

November 19, 1976—Second TPSC product review begins.

January 19, 1977—President signs Executive Order 11960, calling for modifications in the list of eligible articles resulting from part of the second review, to become effective March 1, 1977 (Federal Register, Vol. 42, No. 15, Jan. 24, 1977).

February 25, 1977—President signs Executive Order 11974, calling for the remainder of modifications to the list of eligible articles as a result of the second review and designates competitive need exclusions based on 1976 import data, both to become effective March 1, 1977 (Federal Register, Vol. 42, No. 39, Feb. 28, 1977). (Agricultural items added by second review are indicated in Table I).

The generalized preference programs of the United States and other developed countries have their origins in a resolution of the first United Nations Conference on Trade and Development, held in 1964, which emphasized "the participation of the developing countries in international trade in manufactures and semimanufactures."

By 1969, several developed countries, including the United States, had circulated draft programs indicating what they might be able to do in this area. Since the differential tariff treatment provided in these programs would have violated the General Agreement on Tariffs and Trade (GATT), a GATT waiver approved in 1971 authorized developed countries for 10 years to give preference to developing countries generally without giving the same treatment to the like products of other contracting parties.

The United States began working on a generalized preference program in 1967, after President Johnson announced U.S. willingness to explore with other

industrial countries the possibilities of a preference program. In 1969, President Nixon approved U.S. participation in a generalized preference system, subject to Congressional approval, and in 1973 sent a draft bill to the Congress. His transmittal message said that preferences are intended for a broad range of manufactured and semimanufactured products and for a selected list of agricultural and other primary products. President Ford signed the Trade Act into law in January 1975.

All of the major Western developed countries and a few Communist countries have generalized preference programs. Most of these went into effect in 1971 or 1972, although the Australian program is somewhat older. These programs are similar to the U.S. program in covering industrial products generally, with certain exceptions, and agricultural commodities selectively. Some of them, notably the European Community (EC) and Japanese programs, differ from the U.S. program in setting no limits on preferential imports of most of the agricultural commodities covered under the program and in reducing, rather than eliminating, tariffs.

Other developed countries also change their product coverage slightly from time to time. For example, the EC published in its "Official Journal" on December 20, 1976, a number of changes in its GSP program, which became effective January 1, 1977.

APPENDIX

Table 1

LIST OF AGRICULTURAL COMMODITIES THAT HAVE BEEN DESIGNATED AS ELIGIBLE FOR PREFERENTIAL DUTY-FREE TREATMENT UNDER THE GENERALIZED PREFERENCE PROGRAM

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
10025	Live birds valued not over \$5 each, NES	4.3	— — —
10031	Birds, live, NSPF, valued over \$5 each	4.0	— — —
10073	Live horses, not imported for immediate slaughter, valued not over \$150 per head ¹	2.8	— — —
10095	Live animals, except birds, NES	3.5	— — —
10530	Dead birds, whole, plucked only, fresh, chilled, or frozen ¹	1.0	— — —
10560	Dead birds, plucked, beheaded and eviscerated, fresh, chilled, or frozen ¹	1.6	— — —
10584	Birdmeat, NSPF, otherwise prepared or preserved	8.5	— — —
10640	Pork, fresh, chilled or frozen	0.7	— — —
10660	Frogs, fresh, chilled or frozen	2.5	India
10670	Meats, NSPF, fresh, chilled or frozen, not over 30 cents per pound	10.2	— — —
10675	Meats, NSPF, fresh, chilled or frozen, valued over 30 cents per pound	10.0	— — —
10680	Edible meat, offal, fresh, chilled, or frozen, not over 20 cents per pound	3.4	— — —

Definitions of terminology: AVE—ad valorem equivalent. MFN—most favored nation. NES—not elsewhere specified. NSPF—not specifically provided for. TSUS—Tariff Schedules of the United States.

¹ Added March 1, 1977, pursuant to the second TPSC review.

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
10685	Edible meat, offal, fresh, chilled, or frozen, over 20 cents per pound	2.5	— — —
10710	Fresh pork sausages	1.4	— — —
10715	Pork sausage, except fresh	1.1	— — —
10720	Sausages, beef in airtight containers	7.5	Argentina
10725	Sausages, NES	5.0	— — —
10740	Beef or veal, pickled or cured, valued not over 30 cents per pound	5.0	— — —
10745	Beef or veal, pickled or cured, valued over 30 cents per pound	10.0	Brazil
10748	Corned beef in airtight containers	7.5	Argentina Brazil
10765	Frog meat, prepared or preserved	6.0	— — —
10770	Meat and edible offals, NES, prepared or preserved, under 30 cents per pound	7.1	Haiti
10775	Meat and edible offal, NES, prepared or preserved, over 30 cents per pound	5.0	— — —
10780	Meat extract, including fluid	0.3	— — —
11765	Cheese from sheep's milk, suitable for grating, original loaves ²	9.0	— — —
11767	Cheese, pecorino, in original loaves not suitable for grating ²	12.0	— — —
11950	Poultry eggs, except chicken, in the shell	4.1	— — —
11955	Chicken eggs, in the shell	4.5	— — —
12017	Other hides and skins	2.0	— — —

²Not produced in the United States at the time the Trade Act was enacted, January 3, 1975, and therefore the 50 percent competitive-need requirement does not apply.

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
12350	Furskins of the silver, black, or platinum fox	18.5	— — —
12420	Plates, mats, linings, strips, etc., of fur skins dressed, not dyed	8.5	— — —
12425	Furskins, NES, dressed, not dyed	2.5	— — —
12430	Coney rabbit furskins, dressed, not dyed	5.0	— — —
12440	Furskins, NSPF, whole or not dressed but not dyed	5.0	— — —
12460	Plates, mats, linings, strips, etc., of furskins, dyed, or dressed	10.0	— — —
12465	Furskins, dressed and dyed, beaver, chinchilla, ermine, mink, etc.	4.0	— — —
12470	Rabbit furskins, dressed, dyed	7.5	— — —
12480	Furskins, whether whole or not, NSPF, dressed and dyed	6.0	— — —
12501	Tulip bulbs, live ¹	2.4	— — —
12510	Lily bulbs ¹	0.5	— — —
12515	Narcissus bulbs ¹	2.3	— — —
12520	Crocus corms ¹	1.7	— — —
12530	Bulbs, roots, etc., NES, imported for horticultural purposes	5.5	— — —
12550	Grafted or budded fruit trees ¹	5.0	— — —
12570	Orchid plants	4.0	— — —
12580	Live plants suitable for planting, NSPF	7.5	— — —
12641	Flower seeds	0.1	— — —
12671	Pepper seeds ¹	0.5	— — —
12710	Garden and field seeds except grass and forage crop seed, NSPF	0.8	— — —

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
13020	Canary seed	0.7	— — —
13030	Corn or maize certified seed	0.6	— — —
13035	Corn or maize, except certified seed	6.2	Brazil
13040	Grain sorghum	0.8	Mexico
13063	Seed wheat, unfit for human consumption	5.0	Mexico
13120	Corn, milled, fit for human consumption	3.4	— — —
13135	Rice meal and flour, fit for human consumption	0.4	Hong Kong
13180	Other milled grain products, not fit for human consumption ¹	10.0	— — —
13255	Starches, NSPF	4.3	Mexico
13530	Cabbage, fresh, chilled, or frozen	5.3	Mexico
13541	Carrots, fresh, chilled or frozen, under 4" long ^{1, 3}	6.0	— — —
13550	Cauliflower, fresh, chilled, or frozen, entry June 5-Oct. 15	5.5	— — —
13551	Cauliflower, fresh, chilled, or frozen, entered Oct. 16-June 4	12.5	Mexico
13560	Celery, entering April 15 to July 31 ¹	2.0	— — —
13570	Chickpeas or garbanzos, fresh, chilled, or frozen ²	3.8	— — —
13580	Cowpeas, blackeye, fresh, chilled, or frozen	12.2	Nicaragua
13590	Cucumbers, fresh, chilled, or frozen, entry Dec. 1-last day of Feb.	39.0	Mexico
13594	Cucumbers, fresh, chilled, or frozen, entry July 1-Aug. 31	5.9	— — —
13600	Dasheens, fresh, chilled, or frozen	12.5	Dominican Republic

³Formerly included in 13540.

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
13610	Endive, including witloof chicory ¹	0.2	— — —
13640	Horseradish ¹	6.2	— — —
13650	Lentils ^{1, 2}	0.8	— — —
13680	Okra, fresh, chilled, or frozen	25.0	Mexico
13690	Onion sets, fresh, chilled, or frozen	1.7	— — —
13692	Pearl onions, not over 10/16 inch in diameter ^{1, 4}	19.0	— — —
13698	Peas, fresh or chilled, entry July 1-Sept. 30	1.4	Dominican Republic
13699	Peas, frozen entering July 1- Sept. 30, inclusive	2.3	Taiwan
13701	Peas, fresh, chilled or frozen entering Oct. 1 to June 30 inclusive	7.4	— — —
13740	Radishes, fresh, chilled or frozen	6.0	— — —
13771	Brussels sprouts, fresh, chilled or frozen ^{1, 5}	25.0	Mexico
13775	Chayote, fresh, chilled or frozen	12.5	Costa Rica
13805	Broccoli, cauliflower, and okra, fresh, chilled or frozen and cut, sliced or reduced in size	17.5	Mexico
14009	Mung beans, dried, entry for consumption May 1-Aug. 31	2.6	Thailand
14010	Red kidney beans, dried, entry for consumption May 1-Aug. 31	12.4	Chile
14011	Dried beans, NSPF entered for consumption May 1-Aug. 31	4.0	— — —
14014	Mung beans, dried, etc. entry for consumption Sept. 1-April 30 withdrawn anytime	4.9	Thailand

⁴Formerly included in 13691.

⁵Formerly included in 13785

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
14016	Beans, dried, except mung, entry for consumption Sept. 1-April 30, withdrawn anytime	6.2	— — —
14020	Chickpeas or garbanzos, split, dried, etc. ¹	4.8	Kenya
14021	Chickpeas or garbanzos other than split, dried, etc. ¹	6.4	Mexico
14025	Blackeye cowpeas, dried, etc. ¹	1.9	Peru
14035	Lentils, dried, etc. ¹	0.5	Turkey
14038	Lupines, dried, etc. ¹	0.5	— — —
14046	Peas, NES, dried, desiccated, or dehydrated	2.4	— — —
14105	Soybean, in brine, pickled or otherwise prepared or preserved, NES	8.5	— — —
14120	Beans, except soya, prepared or preserved, not in salt or brine, not pickled	6.9	— — —
14135	Chickpeas or garbanzos, prepared or preserved, except dried	2.1	Turkey
14145	Onions packed in salt, in brine or pickled	8.0	— — —
14150	Onions, prepared or preserved, NES	17.5	— — —
14155	Peas, in brine, packed in salt, pickled or otherwise preserved, except dried	3.4	Dominican Republic
14170	Waterchestnuts, in salt, pickled or otherwise preserved	17.5	Taiwan
14177	Miscellaneous vegetables, in salt, pickled or otherwise preserved ^{1, 6}	12.0	Mexico
14179	Palm hearts, prepared or preserved, NES ²	8.5	— — —
14502	Chestnuts, prepared or preserved, NES	4.9	— — —

⁶Formerly included in 14175.

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
14509	Coconut meat, except copra, NSPF, otherwise prepared or preserved	10.0	Dominican Republic
14524	Pignolia nuts, not shelled	.7	— — —
14528	Walnuts, not shelled	12.7	— — —
14530	Nuts, edible, NES, not shelled	2.8	— — —
14552	Pignolia nuts, shelled, blanched, or otherwise prepared or preserved	.7	Portugal
14553	Pistache nuts, shelled, blanched, or otherwise prepared or preserved	.5	Turkey
14554	Walnuts, pickled, immature ²	11.6	— — —
14560	Nuts, pickled or otherwise prepared or preserved, NSPF	28.0	Taiwan
14612	Apples, dried	1.8	Argentina
14622	Apricots, dried	1.7	Turkey
14642	Bananas, dried	3.5	— — —
14644	Bananas, not fresh or dried, otherwise prepared or preserved	7.5	Philippines
14666	Berries, dried and evaporated, except barberries, NSPF	2.3	— — —
14673	Black currants, gooseberries, etc., prepared or preserved ¹	7.0	— — —
14680	Cashew apples, sapodillas, etc., fresh or prepared or preserved ²	7.0	— — —
14721	Lemons, prepared or preserved ²	0.9	— — —
14729	Oranges, mandarin, packed in airtight containers	0.7	— — —
14733	Citrus fruit, fresh, NSPF	8.5	Jamaica
14736	Citrus fruits, prepared, NSPF	35.0	Taiwan
14780	Guavas, fresh, dried, pickled or in brine	7.0	Philippines

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
14785	Guavas, prepared or preserved, NSPF	4.0	Brazil
14792	Mangoes, prepared or preserved ⁷	7.9	— — —
14835	Melons, prepared or preserved	35.0	— — —
14872	Peaches, fresh or in brine, entry Dec. 1-May 31	0.4	Chile
14877	Peaches, white, fleshed, prepared or preserved, NSPF	10.0	Korea
14915	Plantains, prepared or perserved	7.5	Dominican Republic
14950	Fruits, fresh, NES	8.5	Chile
14960	Fruits, prepared or preserved, NES	17.5	— — —
15200	Banana flour and plantain flour	7.0	— — —
15205	Fruit flours, other ¹	15.0	— — —
15243	Fruit paste and pulp: cashew apple, mamey colorado, sapodilla, soursop, and sweetsop ⁸	17.5	Dominican Republic
15254	Guava paste and pulp	7.0	Brazil
15258	Mango paste and pulp	7.0	— — —
15260	Tamarind paste and pulp ^{2, 9, 10}	15.0	— — —
15272	Banana and plantain, paste and pulp	7.5	Honduras
15302	Jellies, jams, etc., of cashew apple, mamey colorado	5.0	Dominican Republic
15308	Guava jelly, jam, marmalades, and fruit butters	5.0	— — —
15316	Orange marmalade	5.5	— — —
15324	Pineapple jellies, jams, marmalades, fruit butters, etc.	5.0	— — —

⁷Formerly included in 14790.

⁸Formerly included in 15246.

⁹Added October 1, 1976, pursuant to the first TPSC review.

¹⁰Formerly included in 15274.

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
15328	Quince jelly, jam, marmalades, fruit butters, etc.	8.5	Portugal
15332	Jellies, jams, marmalades, and fruit butters, NES	7.0	— — —
15410	Chestnuts, candied, crystallized or glace, including marrons	0.7	— — —
15440	Ginger root, candied, crystallized or glace	13.5	Taiwan
15455	Fruit, candied, crystallized or glace, NES	10.0	— — —
15460	Candied, crystallized, or glace vegetable substance, NES	20.0	— — —
15520	Sugar, sirup, molasses, principally crystalline structure or dry amorphous form	6.5	Argentina Brazil Colombia Dominican Republic El Salvador Guatemala Guyana India Jamaica Nicaragua Panama Peru Philippines Taiwan Thailand
15530	Sugars, sirups, molasses containing not over 6 percent nonsugar solids	6.2	— — —
15535	Sugars, sirups, molasses containing nonsugar over 6 percent	1.5	Barbados
15540	Molasses, inedible	0.3	— — —
15560	Dextrose	5.6	— — —
15575	Sugars, sirups, and molasses, blended, flavored or unflavored	15.0	— — —
15625	Chocolate, sweetened, in bars or blocks, 10 lbs. or more	0.5	— — —
15630	Chocolate, sweetened, except bars and blocks, 10 lbs or more	5.0	— — —

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
15635	Cocoa butter	3.0	Ivory Coast
15640	Cocoa, unsweetened, and cocoa cake reducible to cocoa powder	0.8	— — —
15645	Cocoa, sweetened	5.0	Dominican Republic
15647	Confectioner's coatings and other products containing over 6.8 percent nonfat solids of cocoa bean nibs and over 15 percent vegetable fats other than cocoa butter	2.5	— — —
15710	Candy and other confectionery, NSPF	7.0	— — —
16115	Cassia, cassia buds, and cassia vera, ground	1.7	Taiwan
16119	Cinnamon and cinnamon chips, ground	0.8	— — —
16137	Ginger root, ground, not candied or preserved	2.8	— — —
16143	Mace, bombay or wild, unground ²	12.8	— — —
16145	Mace, bombay or wild, ground ²	50.0	— — —
16153	Margoram, manufactured	7.5	Syria
16161	Mustard seeds, whole	2.7	— — —
16165	Nutmegs, ground	1.8	— — —
16169	Origanum, except crude	7.5	Mexico
16171	Paprika, ground or unground	8.7	— — —
16175	Parsley, manufactured	15.0	— — —
16179	Pepper, black or white, ground	1.7	— — —
16183	Pepper, capsicum or cayenne or red, unground, NSPF	7.1	— — —
16192	Rosemary, manufactured	7.5	— — —
16194	Sage, unground ²	2.0	— — —
16196	Sage, ground or rubbed	0.1	— — —
16203	Savory, manufactured	7.5	— — —

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
16207	Tarragon, manufactured	7.5	— — —
16211	Thyme, manufactured	7.5	— — —
16215	Mixed spices, spice seeds, and spices, NSPF	7.5	— — —
16555	Fruit juices, unmixed, NES not containing over 1 percent ethyl alcohol	1.9	— — —
16620	Ginger ale, ginger beer, lemonade, and soda water ¹	0.6	— — —
16630	Vegetable juices, including mixed, under ½ percent alcohol	0.5	— — —
16640	Beverages, NSPF, under ½ percent alcohol	0.5	Mexico
16705	Ale, porter, stout, or beer	3.2	— — —
16715	Cider, fermented, still or sparkling	1.0	— — —
16725	Rice wine or sake ²	5.5	— — —
16734	Wine, grape, marsala, over 14 percent alcohol in containers not over 1 gallon each	5.5	— — —
16740	Vermouth, in 1 gallon containers	5.2	— — —
16750	Other fermented alcoholic beverages, NES	9.1	— — —
17551	Sunflower seed	2.2	— — —
17601	Castor oil, valued not over 20 cent per pound ²	7.5	Brazil
17614	Castor oil, valued over 20 cent per pound, having lovibond color values greater than 6 yellow and 0.6 red ^{2, 9, 11}	4.8	— — —
17615	Castor oil, valued over 20 cent per pound, other ⁹	1.8	Brazil
17630	Olive oil, edible, weighing with container not under 40 lbs.	5.1	— — —

¹¹Formerly included in 17602.

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
17633	Palm kernel oil, edible	2.5	Malaysia
17649	Sesame oil, rendered unfit for use as food ^{1, 2}	2.3	— — —
17650	Sesame oil, not rendered unfit for use as food	0.8	— — —
17670	Other vegetable oils, NSPF, except nut oils	5.0	— — —
17758	Wool grease, medicinal	7.8	— — —
17762	Wool grease, NES	11.8	— — —
17769	Animal oils, fats, and greases, NES, except milk, edible	5.0	— — —
17772	Animal oils, fats, and greases, not edible, NSPF	20.0	— — —
17830	Oil mixtures, chief value not of linseed or flaxseed	10.0	— — —
18205	Antipasto	5.0	— — —
18210	Corned beef hash	10.0	— — —
18211	Pastes, hash, puddings, etc., of vegetable and/or meat or fish	17.0	— — —
18215	Bean cake, bean stick, miso, and similar products	14.0	— — —
18220	Biscuits, cake, cakes, wafers and similar products, and puddings	3.0	— — —
18230	Cereal, breakfast foods, and preparations, processed further than milling	2.5	— — —
18232	Chewing gum	5.0	— — —
18235	Macaroni, etc., containing no egg or egg products	1.6	— — —
18236	Macaroni, etc., containing egg or egg products	1.9	— — —
18240	Yeast extract, nonalcoholic, for seasoning food, except sauces	5.0	— — —
18245	Soy sauce, thin	6.0	— — —

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
18246	Sauces, except thin soy	7.5	— — —
18252	Soups, soup rolls, cubes, etc., not containing oysters or oyster juice	7.0	— — —
18258	Vinegar, other than malt	2.5	— — —
18290	Edible preparations of gelatin, NSPF	6.0	— — —
18296	Wheat gluten	10.0	— — —
18450	Linseed oil cake and oil cake meal	4.0	— — —
18465	Animal feed meat, NES, including offal prepared or perserved inedible	4.0	Taiwan
18610	Ostrich feathers and down, crude, sorted or treated only ²	5.0	— — —
18615	Feathers and down, NES	15.0	— — —
18630	Bristles, crude or processed	0.8	— — —
18640	Hair, curled, suitable for use in mattresses or paddings	2.0	Mexico
18650	Human hair, crude, sorted, treated, dyed, not made into articles	4.0	— — —
18830	Amber and amberoid, natural whether crude or processed ²	2.5	— — —
18834	Chicle, other than crude	2.4	— — —
18850	Turpentine, spirits and gum of, and rosin	5.0	— — —
19010	Dried blood albumen	15.2	— — —
19025	Catgut, whipgut, and orientalgut	17.0	— — —
19115	Animal substances, crude, NSPF	2.5	— — —
19245	Licorice, extract	6.0	— — —
19270	Istle, processed ²	20.0	— — —
19285	Straw and other fibrous vegetable substances, processed, NES	5.0	Mexico

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
19310	Tonka beans ^{1, 2}	8.6	— — —
30404	Abaca fibers, processed but not spun	4.0	Philippines
30410	Flax, raw ²	0.5	— — —
30412	Flax waste and advanced waste	0.2	— — —
30414	Flax, processed, not carded and not hackled	0.4	— — —
30420	Hemp, raw, waste, and advanced waste ²	0.7	— — —
30422	Hemp, processed, not carded and not hackled	1.0	— — —
30440	Kapok fibers, processed	4.0	Thailand
30444	Ramie, processed but not spun	4.0	— — —
30448	Sisal and henequen, processed but not spun	8.0	Brazil
30458	Other vegetable fibers, processed but not spun, NES	4.0	India
30642	Camel hair, in grease, or washed, sorted	9.6	— — —
30652	Alpaca llama and vicuna hair, greasy or washed, sorted	1.6	Peru
30653	Alpaca llama and vicuna hair, scoured	4.1	— — —
30660	Cashmere goat hair, on the skin	4.0	— — —
30661	Cashmere goat hair, greasy or washed, not sorted	11.5	— — —
30670	Angora goat hair, on the skin	28.0	— — —
30671	Angora goat hair, greasy or washed, not sorted	2.7	— — —
30672	Angora goat hair, greasy or washed, not sorted	3.0	— — —
30680	Angora rabbit hair, on the skin	6.0	— — —

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
30681	Angora rabbit hair, greasy or washed, not sorted	21.9	— — —
30682	Angora rabbit hair, greasy or washed, sorted	4.6	— — —
30702	Burr and card waste, not advanced	6.6	— — —
30806	Raw silk and silk processed but not into yarns, not in skeins	7.0	— — —
30810	Silk noils, containing over 50 percent by weight of fibers over 2 inches in length	7.0	— — —
30816	Silk roving, not bleached and not colored	8.5	— — —
30818	Silk roving, bleached or colored	10.0	— — —
30820	Other silk waste and fibers, processed, not spun	7.0	— — —
40880	Vanillin	9.9	— — —
43510	Aloes, jalap, manna, aconite, ipecac, digitalis, etc., advanced	1.5	— — —
43749	Enzymes and ferments, NSPF	5.0	— — —
43758	Hormones, natural, not artificially mixed	2.0	— — —
43784	Vitamins, not artificially mixed, natural	2.0	— — —
43930	Natural drugs, advanced	1.5	— — —
45010	Flavoring extracts, essences, etc., no alcohol, in ampoules, capsules, tablets, or similar forms	6.0	— — —
45020	Flavoring extracts, essences, etc., no alcohol, not in ampoules, capsules, tablets or similar forms	6.0	— — —
45224	Eucalyptus oil ²	3.5	— — —
45248	Orris oil ²	3.0	— — —

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
45254	Peppermint oil derived from mentha piperita	12.5	— — —
45258	Pine needle oil	2.0	— — —
45280	Distilled or essential oils, NES	3.0	— — —
45502	Agar agar	7.5	— — —
45506	Isinglass ²	8.5	— — —
45516	Gelatin, edible, under 40 cents per pound	6.8	— — —
45518	Gelatin, edible, valued at 40 cents or more but not over 80 cents per pound	6.7	— — —
45520	Edible gelatin, valued over 80 cents per pound	7.4	— — —
45522	Photographic gelatin valued not over 80 cents per pound	6.9	— — —
45524	Gelatin, photographic, valued over 80 cents per pound	6.7	— — —
45530	Vegetable glue valued under 40 cents per pound	8.0	— — —
45532	Vegetable glue valued 40 cents or more per pound	8.4	— — —
45534	Casein glue	7.5	— — —
45544 ^{1 2}	Glue size, valued under 40 cents per pound	4.3	— — —
45546	Glue size, valued 40 cents or more per pound	8.7	— — —
46010	Ambergris, containing not over 10 percent alcohol	4.0	— — —
46015	Anethol, containing not over 10 percent alcohol	12.0	— — —
46025	Citral, containing not over 10 percent alcohol	12.0	— — —

^{1 2}45540 and 45542 were deleted October 1, 1976, pursuant to first TPSC review.

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
46030	Civet, containing not over 10 percent alcohol	8.0	— — —
46035	Geraniol, containing not over 10 percent alcohol	7.5	Taiwan
46045	Hydroxy citronellal, containing not over 10 percent alcohol	7.5	— — —
46050	Ionone, containing not over 10 percent alcohol	12.0	— — —
46055	Linalyl acetate, containing not over 10 percent alcohol	18.0	— — —
46060	Musk, grained or in pods, containing not over 10 percent alcohol	10.0	India
46070	Safrol, containing not over 10 percent alcohol	15.0	— — —
46075	Terpineol, containing not over 10 percent alcohol	12.0	— — —
46080	Other aromatic or odiferous substances, NSPF, not mixed	12.0	— — —
46085	Aromatic or odiferous substances, artificially mixed	6.7	— — —
46090	Aromatic or odiferous substances, over 10 percent alcohol	7.6	— — —
46505	Fatty-acid esters, ethers, etc., derived from coconut	10.5	— — —
46510	Fatty-acid ethers and esters from polyhydric alcohols, NSPF	9.1	— — —
46515	Fatty-acid amides, amines, etc., derived from coconut palm, etc.	9.2	— — —
46520	Fatty-acid amides, amines, quaternary ammonium salts, NSPF	9.8	— — —
46525	Sodium and potassium salts, derived from coconut, palm, etc.	5.0	— — —
46530	Sodium and potassium salts of fats and fatty acids, NSPF	6.8	— — —
46535	Fatty acids, sulfonated from coconut, palm oil, etc.	5.0	— — —

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
46540	Fatty acids and salts, sulfonated or sulfated, NSPF	6.4	— — —
46545	Fatty alcohols, sulfated from coconut, palm oils, etc.	5.0	— — —
46550	Fatty alcohols and salts sulfonated or sulfated, NSPF	6.1	— — —
46555	Fatty acids, esters, etc., from coconut, palm kernel, palm oil	5.0	— — —
46560	Fatty acids, esters, ethers, amides, etc., sulfonated, etc., NSPF	5.6	— — —
46565	Coconut, palm kernel, and palm oils, sulfonated or sulfated	7.0	— — —
46570	Tallow, sulfonated	8.1	Argentina
46575	Wool grease, sulfonated	9.4	— — —
46580	Animal fats, oils, or greases, sulfonated or sulfated, NSPF	8.9	— — —
46585	Vegetable fats, oils, and greases, sulfonated, etc., NSPF	7.0	— — —
49005	Oils, fats, and greases, halogenated, nitrated, etc.	16.0	— — —
49010	Oleic acid	12.2	— — —
49024	Fatty acids from coconut, palm kernel, palm oil	5.0	— — —
49030	Lithium stearate	4.9	— — —
49032	Fatty salts of animal origin, NSPF	6.1	— — —
49044	Fatty salts derived from linseed oil, NSPF	23.2	Hong Kong
49046	Fatty salts from hempseed, kapok, rapeseed, sesame, etc.	5.6	— — —
49048	Salts from coconut palm kernel or palm oil	5.0	— — —
49050	Fatty salts of vegetable origin, NSPF	5.0	— — —

TSUS	Description	MFN rate (1976 AVE in percent)	Countries excluded from preference by competitive need limitations
49316	Mixtures, chief value casein	2.2	— — —
49382	Tall oil	5.0	Mexico
49404	Beewax, bleached	7.5	— — —
72615	Rosin, for violin bows	6.0	— — —
74825	Cut natural flowers, dried, bleached, colored, etc.	5.0	— — —
74832	Grains, grasses, lichens, mosses, and other natural plants suitable for bouquets, wreaths, or other	11.0	— — —
74834	Ornamental articles of dried or bleached natural plants	5.0	— — —
74836	Ornamental articles of colored, etc., natural plants	12.5	— — —

Table II

Independent Countries

Afghanistan	Guinea	Papua New Guinea
Angola	Guinea Bissau	Paraguay
Argentina	Guyana	Peru
Bahamas	Haiti	Philippines
Bahrain	Honduras	Portugal ¹
Bangladesh	India	Romania
Barbados	Israel	Rwanda
Benin (formerly Dahomey)	Ivory Coast	Soa Tome and Principe
Bhutan	Jamaica	Senegal
Bolivia	Jordan	Sierra Leone
Botswana	Kenya	Singapore
Brazil	Korea, Republic of	Somalia
Burma	Lebanon	Sri Lanka
Burundi	Lesotho	Sudan
Cameroon	Liberia	Surinam
Cape Verde	Malagasy Republic	Swaziland
Central African Republic	Malawi	Syria
Chad	Malaysia	Taiwan
Chile	Maldives Islands	Tanzania
Colombia	Mali	Thailand
Congo (Brazzaville)	Malta	Togo
Costa Rica	Mauritania	Tonga
Cyprus	Mauritius	Trinidad and Tobago
Dominican Republic	Mexico	Tunisia
Egypt	Morocco	Turkey
El Salvador	Mozambique	Upper Volta
Equatorial Guinea	Nauru	Uruguay
Ethiopia	Nepal	Western Samoa
Fiji	Nicaragua	Yemen Arab Republic
Gambia	Niger	Yugoslavia
Ghana	Oman	Zaire
Grenada	Pakistan	Zambia
Guatemala	Panama	

¹ Added September 1, 1976. Laos deleted September 1, 1976.

Nonindependent Countries and Territories

Afars and Issas, French Territory of the	Falkland Island (Malvinas) and Dependencies	Pitcairn Island
Antigua	French Polynesia	Portuguese Timor
Belize	Gibraltar	Saint Christopher-Nevis-Anguilla
Bermuda	Gilbert Islands	Saint Helena
British Indian Ocean Territory	Heard Island and McDonald Islands	Saint Lucia
British Solomon Islands	Hong Kong	Saint Vincent
Brunei	Macao	Seychelles
Cayman Islands	Montserrat	Spanish Sahara
Christmas Island (Australia)	Netherlands Antilles	Tokelau Islands
Cocos (Keeling)	New Caledonia	Trust Territory of the Pacific Islands
Comora Islands	New Hebrides Condominium	Turks and Caicos Islands
Cook Islands	Nuie	Tuvalu (formerly Ellice Islands)
Dominica	Norfolk Island	Virgin Islands, British
		Wallis and Futuna Islands

Table III

Developing Countries Currently Not Eligible for U.S. GSP

Algeria
Ecuador
Gabon
Greece
Hong Kong
Indonesia
Iran
Iraq
Kuwait
Libya
Nigeria
Yemen, People's Democratic Republic of
Qatar
Saudi Arabia
Spain
Uganda
United Arab Emirates
Venezuela

